



# Clean Energy Upgrade Financing Program

## ABX1 14 Loan Loss Reserve Program

### Financial Institution Application Tips<sup>1</sup>

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#### APPLICATION REQUIREMENTS

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CAEATFA will accept applications on an ongoing basis from Financial Institutions interested in participating in the Clean Energy Upgrade Financing Loan Loss Reserve Program (the “Program”). Applications must be complete and provide sufficient information to allow staff to conduct a thorough review of the applicant lending program. Additional information and tips are provided here to help Financial Institutions prepare an accurate and complete application. Please review the [ABX1 14 Program regulations](#) for more information on eligibility and application requirements. Please also note that for an application to be deemed complete it must be filled out in its entirety and must include the following detailed information:

- 1. *Description of the Financial Institution’s loan program to finance Eligible Improvements including, but not limited to:***
  - Loan product details, such as collateral required (if any)
  - Maximum and minimum loan amounts
  - Interest rates (whether fixed or variable)
  - Loan terms, property type, etc.
  - Underwriting criteria such as FICO score, debt-to-income ratio, etc.
  - List of the counties where loans will be offered in California
- 2. *Description of transactional activities detailing the Financial Institution’s loan application process and transactional costs including, but not limited to:***
  - Application
  - Loan origination fees
  - UCC 1 filing fees
  - Property valuation cost
  - Title and tax search
- 3. *Overview of the mechanism by which savings produced by this Program will be passed onto the Borrower in the form of lower cost financing including, but not limited to:***
  - Comparison of interest rates and loan terms between existing loan products for Eligible Improvements and the interest rates the Financial Institution anticipates providing if a loan is enrolled in the Program. If the Financial Institution does not have an existing loan product for energy efficiency or renewable energy installations, compare the interest rates and loan terms between other similar loan products and the proposed loan program.
  - Additional benefits associated with enrolling Qualified Loans in the Program, such as expanded loan terms and underwriting criteria

Before submitting an application for consideration, please verify that the required detailed descriptions mentioned above are included. Failure to provide these descriptions will delay the application’s evaluation.

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<sup>1</sup> Capitalized terms are defined in the Program’s statute and regulations.